

CIRCULATE TO:

DIRECTOR
PETROLEUM ENGINEER
MINE COORDINATOR
ADMINISTRATIVE ASSISTANT
ALL

RETURN TO
FOR FILING

August 10, 1976

Joseph Harlan Burns
95 North Main Street
Cedar City, Utah 84720

Re: Annie Laurie Mining Ventures, Ltd.
Kimberly Gold Mine
ACT/031/001
Piute County, Utah

Dear Mr. Burns:

Your letter of August 5th took me somewhat by surprise. I hope your closing of the Kimberly operation was due to the depressed price of gold, not by a mere observation of this Division. My letter pointed out that from the reclamation standpoint, a problem could develop in utilizing the old tailings ponds at Kimberly because of the instability of the dikes in use.

As you probably know, a mining and reclamation plan for all active mines in the State will have to be filed by July of 1977. Until this time, we are advising individuals and companies in the preparation of such plans as well as encouraging operators to file early in order to prevent a log-jam of plans on the deadline.

The stance of the Division is that our mineral natural resources must be developed, and developed in such a way that the effects on surrounding landowners and the public at large, are mitigated in concert with the Utah Mined Land Reclamation Act.

The only item of concern to us is that on May 20th, 1976, the tailings pond dike had the appearance of having failed, overflowing into Mill Creek. From the reclamation standpoint an eroding tailings pile would be difficult to stabilize when operations cease. Few alternatives exist to your method of handling tailings in the Kimberly area, but the two which come immediately to mind are:

- (1) Transporting fresh tails to a newly constructed pond further down the canyon.

J.H. Burns
August 10, 1976
Page Two

- (2) Depositing fresh tails over the old tailings with containment by proper, stable diking.

Enclosed are the forms which you may use to complete the notice of intent and reclamation plan. The forms are straightforward in design and hopefully will take little time to complete.

If you have any questions or feel you need any additional guidance in assembling the reclamation plan, please do not hesitate to call or write this office.

Sincerely,

DIVISION OF OIL, GAS, AND MINING

Ronald W. Daniels
Coordinator of Mined
Land Development

RWD/lc

Enclosures